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25 YEAR RE-REVIEW

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NSC BRIEFING

4 September 1956

**POLITICAL CRISIS IN JAPAN**

- I. Foreign Minister Shigemitsu's return to Tokyo this week, to report on the deadlocked Japan-Soviet treaty negotiations, has brought out into the open a political storm which presents the Hatoyama Government with a serious crisis.
  - A. The dispute arises out of a conflict within the ruling Liberal-Democratic Party over the action Japan should take in its negotiations with the USSR.
  - B. This conflict is being intensified by a bitter struggle for control of the party in expectation of Hatoyama's long-promised retirement.
- II. The present dissention centers on whether to accept the present Soviet terms, reject them, or send Prime Minister Hatoyama to Moscow in an attempt to reach a compromise.
- III. Treaty negotiations are now stalemated over a Soviet demand that Japan recognize a line drawn between Hokkaido and the southernmost Kurile island (Kunashiri) as the boundary between the two countries. This, in effect, would acknowledge Soviet sovereignty over the complete Kuriles chain.

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Japanese government, L-D party leaders and the public seem to be as firmly opposed to conceding Soviet sovereignty over the Southern Kuriles as the USSR is <sup>To</sup> claiming it.

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IV. As to the party fight, Hatoyama has often asserted that a restoration of diplomatic relations with the USSR would crown his career, and that he would then be willing to retire. Each faction in the L-D Party wants to be in a position to take up Hatoyama's mantle when he retires.

- A. Hatoyama's proposed "compromise" trip to Moscow would necessitate the appointment of an acting Prime Minister and opposing party factions feel that the holder of this office would have an inside track to the premiership.
- B. There is some genuine fear that Hatoyama, in his eagerness to restore Japanese-Soviet relations, might sell Japan down the river.
- C. There is a danger that the present crisis will permanently split the L-D Party. Most observers believe, however, that the L-Ds will ride out the crisis, because the conservatives are unwilling to face another general election in which the now-united Socialists would be certain to make further gains.

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